

# Benefits...What's *New* and *Changed* in 2005!

## A *new* Pre-Tax Commuter Benefit!

**Governor Minner responded to requests for additional benefits by paving the way for a *new* Pre-Tax Commuter program!!! If you take public transportation, ride in a vanpool or pay to park when commuting to and from work, the State of Delaware's *new* Pre-Tax Commuter program can save you up to 40% on your transit and/or parking costs, *depending on your tax bracket*! By enrolling in the Pre-Tax Commuter benefit, applicable mass transit fares and parking fees (up to the IRS maximum limits) can be purchased on a pre-tax basis in accordance with IRS regulations. The IRS maximum limits are \$100.00 per month for mass transit and vanpool fares, and \$195.00 per month for parking fares. Eligible employees will have the opportunity to enroll through a secure website or by calling a toll-free telephone number.**

How does the program work? When you participate in the Pre-Tax Commuter program, you are able to select and confirm the appropriate media fare which include passes for mass transit systems, passes or vouchers from vanpool providers and payment for parking lots or garages. You will have the option of a continual enrollment or a month-to-month enrollment. The entire cost of your elected fare plus an administration fee will be deducted on a pre-tax basis from your second paycheck each month. Any *uncollected* amounts will be deducted from your next subsequent paycheck. Your transit passes and vanpool vouchers will be mailed directly to your home, with no postage and handling fees. The passes and vouchers you receive in the mail will be the same passes you can purchase yourself at the ticket window, or if you enroll in the parking benefit, the plan's administrator will pay your parking vendor directly. Open enrollment educational meetings will be held from December 6<sup>th</sup> through December 17<sup>th</sup>, 2004 throughout the State. Online enrollment will be open starting December 6<sup>th</sup> and will continue through January 2<sup>nd</sup> for enrollment in the Pre-Tax Commuter program with vouchers, passes and parking payment for February 2005. More information on the new Pre-Tax Commuter program and its open enrollment period will be included in your November 24<sup>th</sup>, 2004 pay advice.

The State Personnel Office (SPO) will continue to publish more information in the upcoming months on the new Pre-Tax Commuter benefit. In the interim, if you are utilize a parking lot or garage *other than* Colonial, Standard or the Wilmington Parking Authority, State Personnel requests that you log onto their website at [www.delawarepersonnel.com/benefits](http://www.delawarepersonnel.com/benefits) to complete the "Popular Garages" form. Completed forms should be faxed to State Personnel at (302) 739-8339 or sent via the state mail system to State Personnel, Benefits Unit at D620E. The State of Delaware is committed to providing employees' with comprehensive benefit programs that meet the diverse needs of employees, improve the overall quality of your working experience with the State and enhance Governor Minner's Livable Delaware initiative. If you take public transportation or drive to work and pay for parking, chances are it makes sense to start

participating in the Pre-Tax Commuter benefit! This benefit is available to eligible employees only. Dependents are not eligible to participate in the plan.

**Announcing...A new Vendor for the Flexible Spending Account Program!**

The State Employee Benefits Committee (SEBC) is pleased to announce that Central Bank/ASI Inc. will be the new vendor to administer the Flexible Spending Account (FSA) program effective January 1, 2005. FSA is administered in accordance with IRS regulations and allows employees to set aside pre-tax dollars for reimbursement of certain health and dependent care expenses.

The health care account provides for an annual election from \$50.00 to \$3,000.00. When the employee, or his/her legal dependents, receives and pays for health care related services, prescriptions, and some over-the-counter medications, the employee may then request reimbursement from Central Bank/ASI. The dependent care account provides an annual election from \$50.00 to \$5,000.00. When the employee receives and pays for dependent care services for his/her legal dependents, the employee may then request reimbursement from Central Bank/ASI.

Central Bank/ASI provides reimbursement by direct deposit or check within 24 hours of request for qualified claims. Employees are strongly encouraged to estimate their anticipated expenses carefully, as annual election amounts are forfeited to the State of Delaware, if not approved for reimbursement in accordance with the IRS Code and plan specifications for the State of Delaware. Open enrollment for the FSA program will be held from November 1<sup>st</sup> through November 20<sup>th</sup> 2004 for a plan year of January 1, 2005 through December 31, 2005. Educational meetings for this program are being sponsored by the State Personnel Office to give employees an opportunity to learn more and meet representatives from Central Bank/ASI and the State Personnel Office (SPO). Additional information on the FSA program and the open enrollment period will be included in your upcoming October 29<sup>th</sup>, 2004 pay advice.

Please log onto SPO's website at [www.delaware.personnel.com/benefits](http://www.delaware.personnel.com/benefits) for more information about Central Bank/ASI and the FSA program.

**A new Supplemental Benefits Program is on its way!**

Governor Minner is committed to meeting the needs of state employees, therefore the State of Delaware will begin to offer a voluntary Supplemental Benefit options, *subject to approval by the State Employee Benefits Committee*, to all benefit eligible State employees and pensioners to help them manage their individual insurance needs. The Supplemental Benefits Program will be administered by a third party administrator (TPA) who has partnered with other insurance companies to provide supplemental coverage for the following coverage items: Auto/Home Insurance, Pre-Paid Legal Services, Long-Term Care Insurance, Vision, and Pet Insurance.

The Supplemental Benefits Program is an employee paid program with payment options to include bi-weekly payroll deductions, bank deductions from a checking account or direct billing. More information and how to enroll will be coming in early 2005 with programs becoming effective April 1, 2005!

**Questions??** Please contact Leslie Ramsey or Brenda Lakeman for questions regarding the Pre-Tax Commuter benefit. Please contact Ann Skeans or Brenda Lakeman for questions regarding the FSA program. Please contact Dianna Stotler or Brenda Lakeman for questions regarding Supplemental Benefits. All parties can be reached at SPO's Benefits Unit at (302)739-8331.

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